AMENDED IN SENATE MAY 1, 2012 AMENDED IN SENATE APRIL 9, 2012

SENATE BILL

No. 1232

Introduced by Senator Walters

February 23, 2012

An act to-amend *add* Section 31870.8-of *to* the Government Code, relating to county employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 1232, as amended, Walters. County employees' retirement: cost-of-living adjustments.

Existing law, the County Employees Retirement Law of 1937, authorizes counties to establish retirement systems for county employees, authorizes counties to establish a board of retirement, and authorizes the board of retirement to provide cost-of-living adjustments.

This bill would provide, except as specified, that a person who first becomes a member of the Orange County Employees Retirement System on or after January 1, 2013, shall not be eligible to receive an annual cost-of-living increase, as specified, until at least 12 months from the date of that member's retirement and the member is only eligible to receive an adjustment based on the preceding 12 months for the annual cost-of-living adjustment of the monthly allowance of members of the Orange County Employees Retirement System to be made beginning with the 2nd calendar year following retirement on or after April 1, subject to specified limitations. The bill-provides that would provide that the operation of these provisions is contingent upon the Orange County Board of Supervisors adopting a resolution making those provisions applicable in that county, as specified.

SB 1232 -2-

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 31870.8 is added to the Government 2 Code, to read:

- 31870.8. (a) Notwithstanding—Sections 31870, 31870.1, and 31870.2, a person who first becomes a member on or after January 1, 2013, shall not be eligible to receive an annual cost-of-living increase pursuant to any of those sections until at least 12 months from the date of that member's retirement and the member is only eligible to receive an adjustment based on the preceding 12 months anything to the contrary in this article, the monthly allowance payable to or on account of any member shall be adjusted, as provided in Sections 31870, 31870.1, and 31870.2, annually beginning with the second calendar year following retirement on or after April 1.
- (b) This section shall be applicable to members who retire on or after the effective date of the resolution described in subdivision $\frac{d}{d}$ (d).
- (c) This section shall only apply to members who have been employees or officials of Orange County, with respect to the portion of their allowance attributable to that service, and does not apply to any portion of an allowance attributable to a member's service as an employee or official of any other district or entity within or outside of the Orange County Employees Retirement System.
- (d) This section shall not become operative until the Orange County Board of Supervisors, by resolution adopted by a majority vote, makes the provisions of this section applicable in that county.